

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1039 – SB 998

March 23, 2015

SUMMARY OF ORIGINAL BILL: Permits a municipality to report the cost of an economic development project in a border region retail tourism development district within 30 days of the end of each fiscal year as to which the municipality is requesting an allocation of sales and use tax revenues. Authorizes any person authorized to pay or reimburse a private party for eligible costs under the Border Region Retail Tourism Development District Act to disclose the amount of the payment even if the payment is derived from sales and use taxes collected from a single parcel of property.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (004604): Deletes all language after the enacting clause. Permits a municipality to report the cost of an economic development project in a border region retail tourism development district within 30 days of the end of each fiscal year as to which the municipality is requesting an allocation of sales and use tax revenues. Authorizes a municipality in which a district has been certified to exclude, on a one-time basis, from the district for the remainder of the term that the district is certified, any property or properties initially included in the district. Prohibits the Commissioner of the Department of Revenue from recouping any payments that have already been made to a municipality for costs subsequently determined to be unqualified. Authorizes the Commissioner to offset and reduce the amount of any future distribution of tax revenues to the municipality by the amount of the unqualified cost. Authorizes the Commissioner to disclose tax information to a local government unit for purposes of effectuating distributions under the Border Region Retail Tourism Development District Act. Prohibits local government from disclosing such information to any person.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumption for the bill as amended:

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- The proposed legislation, as amended, will not have a significant impact on the apportionment and distribution of state sales and use tax revenue to municipalities under the Border Region Retail Tourism Development District Act.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumption for the bill as amended:

- Reimbursements of private parties for eligible costs under the Border Region Retail Tourism Development District Act will not be significantly affected by the proposed legislation, as amended.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Jeffrey L. Spalding, Executive Director

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